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FOR IMMEDIATE RELEASE May 1, 2001

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STATEMENT OF THE HONORABLE FLOYD SPENCE CHAIRMAN, SUBCOMMITTEE ON MILITARY PROCUREMENT

V-22 HEARING

The Subcommittee will come to order.

Let me begin by welcoming the gentleman from Mississippi, Mr. Taylor, as the newly-appointed ranking Democrat on the Subcommittee. We are glad to have you with us in your new capacity, and I look forward to working closely with you to address the important issues of military procurement and modernization in the 107th Congress.

This afternoon, we will hear testimony from the Secretary of Defense-appointed Panel to Review the V-22 Program. The Panel has conducted a thorough top-to-bottom review of the V-22 program, including its engineering and design, production and quality control, suitability to meet operational requirements, performance, and flight safety. We will also hear testimony on the impact of the Panel's recommendations from the senior officers of two principal V-22 users-the Commandant of the Marine Corps and the Commander-In-Chief of the Special Operations Command.

For the Marine Corps, the MV-22 is a critical modernization program, replacing the over thirty-year old CH-46E and CH-53D helicopter fleets with a vastly improved medium lift capability. For the Special Operations Command, the CV-22 will similarly replace the aging MH-53J and MH-60G helicopter fleets, providing the increased speed and range necessary to conduct sensitive missions deep in enemy territory.

There is no question about the requirement to modernize the equipment for these significant U.S. military missions. However, the past year has proven to be one of great difficulty in completing the development and fielding of this important aircraft program. Most notably, the crash of two V-22s in April and December of last year--and the loss of 23 Marines--reminds us of the sacrifice and danger present in all military operations in peacetime as well as in war.

In October 2000, the V-22 completed its operational evaluation, a graduation exercise designed to ensure that the V-22 was ready to enter full-rate production and be released to the fleet. While the Navy and

Marine Corps considered the V-22 to be both effective in meeting mission requirements and suitable for use in demanding military conditions, the Department of Defense Director of Operational Test and Evaluation cautioned that its reliability, maintainability, and availability needed further development and testing before the aircraft was ready for fleet use. Subsequent to the operational evaluation, the General Accounting Office also questioned whether the V-22 had been sufficiently developed to enter full-rate production.

In January of this year, the squadron commander of the V-22 unit at Marine Corps Air Station New River, North Carolina, admitted to falsifying maintenance records and this admission has resulted in a Department of Defense Inspector General (DoD IG) criminal investigation. Since this investigation is on-going, a witness from the DoD IG is not present today. However, the DoD IG has informed the Panel to Review the V-22 Program that none of the Panel's information contradicts that of the DoD IG in its own investigation thus far.

Following the most recent V-22 crash in December 2000, the Secretary of Defense appointed the Panel before us. They have completed their review and recommended that the V-22 program proceed--but in a restructured manner--that matures the V-22's design, reduces near-term production to a minimum sustaining level, and ultimately procures the aircraft at a higher, more efficient production rate.

We're delighted to have our witnesses with us this afternoon and look forward to their testimony. I would also like Members to note that several other individuals are present from the Department of Defense, the Marine Corps, the Naval Air Systems Command, and the General Accounting Office to respond to any questions you may have concerning the various reports recently released by their organizations. Our expert witnesses are: Mr. Lee Frame (Acting Director, Defense Operation Test and Evaluation); Ms. Katherine Schinasi (Director of Acquisition and Sourcing Management, General Accounting Office); Brig. Gen. Jon A. Gallinetti, USMC (Senior Member, Dec 11, 2000, MV-22 Mishap Board); Rear Admiral Steve L. Enewold (Program Executive Officer for Assault and Special Missions, Naval Air Systems Command); Col. Nolan Schmidt, USMC (V-22 Program Manager); and Lt. Col. Steven M. Keim, USMC (Senior Investigator, Judge Advocate General Investigation Team for the Dec. 11, 2000, MV-22 Mishap).

The committee welcomes each of you and thanks you for being here today.

General Dailey, before I turn the floor over to you, I first want to call upon Mr. Talyor, the new ranking Democrat on the Procurement Subcommittee, for any opening remarks he'd like to make.

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